

PLEASE READ THIS ENDORSEMENT CAREFULLY, AS IT MODIFIES THE POLICY.

SERVICE LINE COVERAGE

With respect only to the coverage provided by this endorsement, “your” policy is amended to provide the coverage described below.

SECTION I – ADDITIONAL PROPERTY COVERAGES are amended as indicated.

The following Additional Property Coverage is added.

1. Service Lines

“We” will pay up to \$10,000 for loss, damage or expense arising from any “one service line failure”.

a. The following definitions are added:

(1) “Covered service line” means underground piping and wiring, including permanent connections, valves or attached devices, as described and limited below.

(a) A “covered service line” must be one of the following:

- (i) Water piping that connects from the dwelling to a public water supply system or private well system;
- (ii) Sewer piping that connects from the dwelling to a public sewer system or private septic system;
- (iii) Ground loop piping that connects to a heat pump;
- (iv) Power line or wiring that provides electrical service to the dwelling or other structure; or
- (v) Steam piping that connects from a dwelling to a heating system located outside the dwelling.

(b) The “covered service line” must:

- (i) Be located on the “residence premises”;
- (ii) Provide a service to the dwelling or other structure, as covered under **Coverage A – Dwelling** or **Coverage B – Other Structures**; and
- (iii) Be owned by “you” or “you” must be legally liable for its repair or replacement.

(c) “Covered service line” does not include:

- (i) That part of piping that runs through or under a body of water, including but not limited to, a swimming pool, pond or lake;
- (ii) That part of piping or wiring that runs through or under the dwelling or other structure;
- (iii) Piping that delivers water to outdoor property, including but not limited to, sprinklers, irrigation systems, swimming pools, hot tubs and decorative ponds;
- (iv) Piping or wiring that is not connected and ready for use; or
- (v) Storm water drain piping.

(2) “Earth movement” means:

- (a) Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- (b) Landslide, mudslide or mudflow;
- (c) Subsidence or sinkhole collapse;
- (d) Tsunami or volcanic action; or
- (e) Any other naturally occurring earth movement including earth sinking, rising or shifting.

(3) “One service line failure” means: If an initial “service line failure” causes other “service line failures”, all will be considered “one service line failure”. All “service line failures” that are the result of the same event will be considered “one service line failure”.

- (4) "Service line failure" means a leak, break, tear, rupture, collapse or arcing of a "covered service line". "Service line failure" does not include blockage or low pressure of a "covered service line".
- b. The following coverages are added, subject to the limit provided for this **Additional Property Coverage 1. Service Lines**:
- (1) **Damages to "Covered Service Line"**
"We" will pay for physical damage to "your" "covered service line" that is the direct result of a "service line failure".
- (2) **Excavation Costs**
With regard to "your" "covered service line" that is damaged as the result of a "service line failure", "we" will pay the necessary and reasonable excavation costs that are required to repair or replace the damaged "covered service line".
- (3) **Expediting Expenses**
With regard to "your" "covered service line" that is damaged as the result of a "service line failure", "we" will pay the reasonable extra cost to:
- (a) Make temporary repairs; and
 - (b) Expedite permanent repairs or permanent replacement.
- (4) **Loss of Use**
Coverage for Additional Living Expense and Fair Rental Value, as described under **Coverage D – Loss of Use**, is extended to this **Additional Property Coverage 1. Service Lines**.
- (5) **Outdoor Property**
"We" will pay for "your" outdoor property, including trees, shrubs, plants, lawns, walkways and driveways, that is damaged as a result of a "service line failure" or that is damaged during the excavation of "your" "covered service line" following a "service line failure".
- c. **EXCLUSIONS** is amended as follows:
- (1) If any of the following causes of loss are excluded by "your" policy, then those exclusions do not apply to this **Additional Property Coverage 1. Service Lines**:
- (a) Wear and tear, marring, deterioration or hidden decay;
 - (b) Rust or other corrosion;
 - (c) Mechanical breakdown, latent defect or inherent vice;
 - (d) Weight of equipment, animals or people;
 - (e) Artificially generated electrical current; or
 - (f) Freezing.
- (2) The following exclusions are added:
- (a) "We" will not pay for loss or damage to:
 - (i) Septic systems, including leach fields, septic tanks, pumps, motors or piping that runs from the septic tank to the leach fields;
 - (ii) Water wells, including well pumps or motors;
 - (iii) Heating and cooling systems, including heat pumps; or
 - (iv) Irrigation or sprinkler systems.
 - (b) "We" will not pay for loss or damage to a "covered service line" that is damaged while it is being installed, dismantled or repaired. However, this exclusion shall not apply if a covered "service line failure" necessitated such installation, dismantling or repair.
 - (c) "We" will not pay to clean up or remove any contaminant, hazardous waste, or sewage.
 - (d) "We" will not pay under this **Additional Property Coverage 1. Service Lines** for loss or damage caused by or resulting from any of the following causes of loss:
 - (i) Fire; or water or other means used to extinguish a fire;
 - (ii) Explosion;
 - (iii) Lightning; windstorm or hail; smoke; aircraft; riot or civil commotion; theft; breakage of glass;

- (iv) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not; or water that backs up or overflows from a sewer, drain or sump; or
- (v) "Earth movement", except for "earth movement" that results from the ground thawing after a freeze.

d. **DEDUCTIBLE** is deleted and replaced with the following:

Subject to the limit provided under the **Additional Property Coverage 1. Service Lines**, "we" will pay only that part of the loss that exceeds \$500. No other deductible applies to this **Additional Property Coverage 1. Service Lines**.

e. The following conditions are added:

(1) Environmental, Safety and Efficiency Improvements

If a "covered service line" requires replacement due to a "service line failure", "we" will pay "your" additional cost to replace with materials that are better for the environment, safer or more efficient than the materials being replaced.

However, "we" will not pay more than 125% of what the cost would have been to replace with like kind and quality. This condition does not increase the limit that applies to this endorsement.

(2) Loss Settlement

Losses under this **Additional Property Coverage 1. Service Lines** will be settled as follows:

- (a) The most "we" will pay for loss, damage or expense arising from any "one service line failure" is the smallest of:
 - (i) The limit of liability that applies to this **Additional Property Coverage 1. Service Lines**;
 - (ii) The amount actually spent to repair the damaged property; or
 - (iii) The amount actually spent to replace the damaged property on the same premises.
- (b) Except as described in Environmental, Safety and Efficiency Improvements above, "you" are responsible for the extra cost of replacing damaged property with property of a better kind or quality or of a different size or capacity.
- (c) "You" are responsible for the extra cost to alter or relocate "covered service lines", unless such alteration or relocation is required by law or ordinance.

All other terms and conditions of this policy apply.